

Finding Surety & Fidelity Coverage FAQs

Q. How do I obtain a surety or fidelity bond (notary bond, construction bond, performance bond, etc.) for the type of work I want to perform?

A. Unfortunately, we cannot tell you which insurers write a specific type of bond nor which insurers will cover the risk you may represent. Surety and fidelity insurers can refuse to write bonds. With very few exceptions, Michigan law does not prohibit them from denying coverage to any applicant. The fact that an insurer is authorized to write surety and fidelity bond coverage in Michigan does not mean that it is required to actually write such bonds or any particular type of bond.

You could use the following methods in the order described to try and obtain the bond that you need:

- 1) Look up "Insurance" in your local yellow pages. Look for insurers and insurance agencies that advertise surety & fidelity coverage. Other insurers and insurance agencies that do not advertise may be authorized to write surety coverage, but you are more likely to find the product you need at a competitive price from businesses that actively advertise surety & fidelity bond coverage.
- 2) Representatives at the [Michigan Association of Insurance Agents \(MAIA\)](#) might be able to help you find producers (agents) that represent insurers that can provide desired coverage.
- 3) Call the business, general contractor, government agency, or county clerk you are required to file the bond with. Ask them for a list of three to five phone numbers of surety insurers that write bonds for businesses or occupations like yours.
- 4) Access our [Insurance Company Locator](#). When the web page appears entitled "DIFS Search Criteria for Insurance Entities" scroll down the page until you see the box entitled "Select an Entity List to Display" and then select the button in front of Surety and Fidelity Entities, which is on the right side of the box. Then, select the Submit tab at the bottom of the page. This selection will pull up web pages that contain in alphabetical order all of the insurers authorized to write surety and fidelity bonds in Michigan.
- 5) Go to the [Insurance Producers Appointed by an Insurance Company Locator](#) and then utilizing the insurance company name(s) gathered using the methods in items 2, 3, and/or 4 above paste or type a company name into the "Insurance Company" box in Step 1 and in Step 2 enter Producer City, State, and Zip Code in which you are located or in surrounding zip codes in order to obtain a list of producers (agents) that are in closest proximity to you.

- 6) You may want to do a simple Google search to see if there is a website that may be helpful to you. Some websites also offer tutorials on the various types of bonds, so that you may have a better understanding of the product itself. It also may be possible to obtain a quote for your bond on line.

Pursuant to MCL 500.1950, in circumstances where an insurance agent cannot find an authorized insurer to write surety and fidelity bond coverage for a constituent or when a constituent insists that the bond be written by an unauthorized insurer, the agent may identify an unauthorized insurer that could write the desired bond for the constituent. This would be considered coverage written in the surplus lines market.

The organization requiring the bond (County Clerk, government regulatory agency, general contractor, etc.) may not accept a bond from an unauthorized insurer because it does not have the same regulatory and legal avenues that it has with an authorized insurer to dispute non-payment of claims and collect benefits that should be paid.

There is a list of eligible unauthorized surplus lines insurers that can be found using the [Insurance Company Locator](#). Select the button titled "Surplus Lines Entities" in the box titled "Select an Entity List to Display" in order to pull up a list of these companies. Generally, the financial condition of eligible unauthorized insurers has been reviewed by DIFS at some point in the past and you and the organization requiring the bond may have greater options with regard to regulatory and legal avenues to dispute non-payment of claims and collect benefits that should be paid.

If you have any questions, please call toll-free at 1-877-999-6442 and ask to speak with the Product Review Section analyst that handles surety and fidelity inquiries.